

Ronald D. Coleman
DHILLON LAW GROUP INC.
A California Professional Corporation
50 Park Place, Suite 1105
Newark, NJ 07102
973-298-1723
rcoleman@dillonlaw.com
Attorneys for Plaintiff
Business Casual Holdings, LLC.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

BUSINESS CASUAL HOLDINGS, LLC,
a Delaware limited liability company,

Plaintiff,

v.

YOUTUBE, LLC, a Delaware limited
liability company; GOOGLE LLC,
a Delaware limited liability company;
and ALPHABET INC., a Delaware
corporation,

Defendants.

Docket No.

21-cv-3610

DECLARATION OF ALEX EDSON IN
SUPPORT OF PLAINTIFF'S MOTION TO
AMEND THE COMPLAINT.

I, Alex Edson, declare as follows:

1. I am the founder and managing officer of Business Casual Holdings, LLC.
2. I submit this Declaration in support of Plaintiff's motion to file an amended complaint.
3. I also submit this Declaration to respond to Defendants' libelous claims in its August 5th opposition that factual assertions in our proposed Amended Complaint and memorandum filed in support of our motion to amend are implausible and untruthful. Defendant's claims are categorically false, as I demonstrate here under penalty of perjury.

4. As of the date of this affidavit, I am 24 years old and have been creating videos on YouTube's website for more than eleven years.

5. My first foray into the world of YouTube began when I was 13 years old, creating Minecraft videos on my first channel "Mr. Miscellaneous Help," (a.k.a. "MrMiscHelp") (URL: <https://www.youtube.com/user/MrMiscHelp/videos>).

6. I spent approximately half of my 11-year involvement in the YouTube industry simultaneously working as a talent manager and network operator for several of YouTube's largest multi-channel networks (also known as "MCNs").

7. I started my first job at 14, working as a YouTube talent scout at TGN (a.k.a. "The Gamers Network"), a YouTube MCN and subsidiary of BBTv, later acquired by RTL Group.

8. At 17 years old, during my sophomore year of high school, I left the firm that I was working with at the time and founded my own agency, a YouTube MCN sub-network. Over the three-and-a-half years that followed, my company grew into one of YouTube's largest networks. At its peak, my network aggregated over 750,000,000 (750 million) views each month across more than 200 channels. The company would later become ScaleLab.

9. I personally signed and managed many of YouTube's largest stars, including Jake Paul (the highest-paid creator on the site according to *Forbes*).



Alex Edson (left) is Jake Paul's former manager.

10. In my various roles as a talent scout and network operator over the years, I enjoyed virtually unrestricted access to many of YouTube's most secretive tools and technologies. As a result, I possess vast first-hand technical knowledge concerning YouTube's internal workings.

11. I intimately understand YouTube's most sensitive internal systems, policies, and technologies unavailable to the general public, including, but not limited to; YouTube's Channel Rollup Tool, Content ID, Content Owners, the Managed CMS, among many others.

12. To protect its largest accounts from receiving automatic copyright claims, YouTube maintains a little-known program called the "Managed CMS."

13. The Managed CMS is a covertly-deployed technology created by software engineers at YouTube and Google for the chief purpose of protecting YouTube's largest channels from receiving automatic copyright claims. It is one of YouTube's many dirty secrets.

14. For the avoidance of any doubt or confusion whatsoever: the principal purpose of the Managed CMS system is to enable select channels, usually very large ones with millions of subscribers that generate significant revenue for YouTube, to evade copyright detection from rightsholders who rely on Content ID to find copies of their copyrighted works.

15. On September 28, 2010, YouTube published a video that is currently titled “YouTube Content ID.” (URL: <https://www.youtube.com/watch?v=9g2U12SsRns>). The video states, in part: “Content ID is YouTube’s unique software system that was built to help content owners find copies of their work on YouTube [...] Making sure Content ID is working for everyone is really important to us.”

16. YouTube’s claim, that Content ID “work[s] for everyone,” is patently false.

17. Content ID does not work “for everyone” — and that is *by design*. As a matter of fact, YouTube’s Managed CMS technology was specifically created so that Content ID would *not* work on select channels. I know this because I personally helped enroll many of my clients’ channels, including Jake Paul’s, in the Managed system. YouTube provided my clients with access to its covert technology for one purpose: to protect their accounts from automatic copyright claims.

18. As of the date of this affidavit, there are roughly 40 million channels on YouTube’s website. These 40 million accounts are governed under two internal channel management systems: the Affiliate CMS and the Managed CMS.

19. Virtually all of YouTube’s 40 million channels (+99.999%) operate under its Affiliate umbrella.

20. It is my understanding and good-faith belief, based on my many years in the YouTube MCN industry, that less than a few thousand channels currently operate under YouTube’s Managed umbrella. The figures are not public information.

21. When Business Casual and other Affiliate channels upload a video to YouTube, that video is scanned by Content ID and cross-compared against a library of “reference files” looking for potential matches. If the video is clean (i.e. no copyrighted content is detected), no claim will be placed on the video. For example, if Business Casual uploads a video containing music from Justin Bieber, YouTube will automatically place a claim on the video. Once claimed, the AdSense revenue is automatically sent to Justin Bieber (or, more likely in the case of Mr. Bieber, his label). Managed channels, on the other hand, enjoy complete circumvention from Content ID. Videos uploaded by Managed channels never get compared to any reference files in the Content ID database. Meaning, as a Managed channel, you can re-upload any of Justin Bieber’s songs wholesale and Mr. Bieber will never know unless he serendipitously finds your video and *manually* files a copyright claim. But with tens of billions of videos on YouTube, that is akin to finding a needle in a haystack the size of the Atlantic Ocean. It almost never happens. Put simply, Managed channels enjoy a *de facto* whitelist status.

22. In addition to protecting its most profitable accounts from automatic copyright claims, YouTube also provides its Managed CMS technology to channels owned and controlled by governments, including the Russian Federation.

23. TV-Novosti’s associated channels identified by the letters “RT,” of which there are at least 38 as confirmed by YouTube, enjoy access to YouTube’s Managed CMS technology.

24. If this Court is wondering why RT modified the saturation of its videos to evade copyright-detection technology that it was already immune to, it is because channels that are Managed don’t always remain that way. Managed channels can, and sometimes do, return to Affiliate status through a process known as the Content Manager Transfer System (or “CMTS” for short). The reason for this is simple: Managed channels present a major risk of liability to every

channel within the CMS. If a channel belonging to a Managed CMS receives a copyright strike, every channel in that network is affected. Ten collective strikes across a network's channels within a rolling 90-day period can result in the termination of all channels within that CMS. Such is why Managed status is almost exclusively reserved for YouTube's most important accounts.

25. By allowing its largest and most profitable accounts to completely circumvent its standard technical measures prescribed by 17 USC § 512(i)(2), YouTube is knowingly facilitating copyright infringement on its website.

26. It is my understanding and good-faith belief that YouTube's Managed CMS system is part of a larger effort by Defendants to defraud music labels and other parties who rely on Content ID to find copies of their copyrighted works.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: August 10, 2022

A handwritten signature in black ink, appearing to be 'AE', is written over a horizontal line.

Alex Edson